

AMENDED IN ASSEMBLY MAY 21, 2009

AMENDED IN ASSEMBLY MAY 7, 2009

AMENDED IN ASSEMBLY APRIL 2, 2009

CALIFORNIA LEGISLATURE—2009–10 REGULAR SESSION

ASSEMBLY BILL

No. 1406

Introduced by Assembly Member Emmerson

February 27, 2009

An act to amend Section 31529.9 of, and to add Section 31522.7 to, the Government Code, relating to county employees' retirement.

LEGISLATIVE COUNSEL'S DIGEST

AB 1406, as amended, Emmerson. County board of retirement: San Bernardino County.

The County Employees Retirement Law of 1937 authorizes the board of retirement of San Bernardino County, upon resolution by the board of retirement, to appoint specified management, investment, and legal personnel. These appointees are not classified as county employees and are therefore not subject to the civil service system, but are employees of that retirement system, subject to the terms of employment determined by the board of retirement. Existing law provides that the compensation of certain of these personnel is an expense of administration of the retirement system, while the compensation of other of these personnel is considered as a reduction in earnings from the system's investments or a charge against the assets of the system.

This bill would enact similar provisions, applicable only to the board of retirement in San Bernardino County, upon adoption by resolution, to appoint specified personnel outside the civil service system ~~to apply to~~, *including* supervisors and employees with specialized training and

knowledge in pension benefit member services, investment reporting compliance, investment accounting, pension benefit tax reporting, pension benefit financial accounting, pension law, and legal counsel. *The bill would make a conforming change.*

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 31522.7 is added to the Government
2 Code, to read:
3 31522.7. (a) In addition to the authority provided pursuant to
4 Section 31522.5, the board of retirement in the County of San
5 Bernardino may appoint an administrator, an assistant
6 administrator, a chief investment officer, senior management
7 employees next in line of authority to the chief investment officer,
8 subordinate administrators, senior management employees next
9 in line of authority to subordinate administrators, supervisors and
10 employees with specialized training and knowledge in pension
11 benefit member services, investment reporting compliance,
12 investment accounting, pension benefit tax reporting, pension
13 benefit financial accounting, pension law, and legal counsel.
14 (b) Notwithstanding any other provision of law, the personnel
15 appointed pursuant to this section may not be county employees
16 but shall be employees of the retirement system, subject to terms
17 and conditions of employment established by the board of
18 retirement. Except as specifically provided in this subdivision, all
19 other personnel shall be county employees for purposes of the
20 county's employee relations resolution, or equivalent local rules,
21 and the terms and conditions of employment established by the
22 board of supervisors for county employees, including those set
23 forth in a memorandum of understanding.
24 (c) Except as otherwise provided by Sections 31529.9 and
25 31596.1, the compensation of personnel appointed pursuant to this
26 section shall be an expense of administration of the retirement
27 system, pursuant to Section 31580.2.
28 (d) The board of retirement and board of supervisors may enter
29 into any agreements as may be necessary and appropriate to carry
30 out the provisions of this section.

1 (e) Section 31522.2 is not applicable if ~~a~~ *the* retirement system
2 elects to appoint personnel pursuant to this section.

3 (f) This section shall apply only to the retirement system
4 established under this chapter in San Bernardino County at such
5 time as the board of retirement, by resolution, makes this section
6 applicable in that county.

7 *SEC. 2. Section 31529.9 of the Government Code is amended*
8 *to read:*

9 31529.9. (a) In addition to the powers granted by Sections
10 31522.5, 31529, 31529.5, 31614, and 31732, the board of
11 retirement and the board of investment may contract with the
12 county counsel or with attorneys in private practice or employ staff
13 attorneys for legal services.

14 (b) Notwithstanding Sections 31522.5, *31522.7*, 31529.5, and
15 31580, the board shall pay, from system assets, reasonable
16 compensation for the legal services.

17 (c) This section applies to any county of the 2nd class, 7th class,
18 14th class, 15th class, or the 16th class as described by Sections
19 28020, 28023, 28028, 28035, 28036, and 28037.

20 (d) This section shall also apply to any other county if the board
21 of retirement, by resolution adopted by majority vote, makes this
22 section applicable in the county.